Assembly Bill No. 1391

CHAPTER 727

An act to add Title 9.5 (commencing with Section 14108) to Part 4 of the Penal Code, relating to the construction, renovation, and infrastructure costs associated with the construction of new local forensic laboratories and the remodeling of existing local forensic laboratories, by providing the funds necessary therefor through an election for, and the issuance and sale of, bonds of the State of California and by providing for the handling and disposition of those funds.

[Approved by Governor October 7, 1999. Filed with Secretary of State October 10, 1999.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1391, Hertzberg. Forensic laboratories.

Existing law requires the State Auditor to conduct an assessment of the needs of existing forensic science laboratories, and to submit a report to the Legislature on the needs assessment by January 1, 1999.

This bill would enact the Hertzberg-Polanco Crime Laboratories Construction Bond Act of 1999, which would, upon approval by the voters at the March 7, 2000, primary election, authorize the issuance and sale of bonds in the total amount of \$220,000,000 to be used for the construction, renovation, and infrastructure costs of new local forensic laboratories and the remodeling of existing local forensic laboratories and related administrative costs, and to reimburse the General Obligation Bond Expense Revolving Fund. The bill would create the Forensic Laboratories Capital Expenditure Fund in the State Treasury. The bill would also create the Forensic Laboratories Authority within the Department of Justice, which would be comprised of 7 members, including the Attorney General, the State Director of Crime Laboratories, 5 members who would be appointed by the Governor, with the advice and consent of the Senate. The bill would prescribe the powers and duties of the authority, and provide for repeal of the provisions establishing the authority on January 1,

The bill would establish procedures for applications for funding the construction and renovation of local forensic laboratories.

This bill would declare that it is to take effect immediately as an urgency statute.

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The people of the State of California do enact as follows:

SECTION 1. Title 9.5 (commencing with Section 14108) is added to Part 4 of the Penal Code, to read:

TITLE 9.5. THE HERTZBERG-POLANCO CRIME LABORATORIES CONSTRUCTION BOND ACT OF 1999

CHAPTER 1. FINANCES

14108. The proceeds of bonds issued and sold pursuant to this title shall be deposited in the Forensic Laboratories Capital Expenditure Bond Fund, which is hereby created.

14108.1. Bonds in the total amount of two hundred twenty million dollars (\$220,000,000), not including the amount of any refunding bonds issued in accordance with Section 14108.11, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for the construction, renovation, and infrastructure costs associated with the construction of new local forensic laboratories and the remodeling of existing local forensic laboratories, for the costs of administering this title, including, but not limited administrative costs of the Forensic Laboratories Authority, 14109, and to reimburse established in Section the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

14108.2. (a) General obligation bonds may be issued by the state to finance the working drawings, preliminary plans, construction, renovation, equipping of the laboratories, and parking facilities and other improvements, betterments, and facilities directly related thereto as described in Section 14108.1.

(b) The amount of the general obligation bonds to be sold shall equal the cost of construction, renovation, and equipping of the laboratories and facilities, the cost of working drawings and preliminary plans, sums necessary to pay financing costs, including interest during construction, and a reasonable reserve fund.

14108.3. The bonds authorized by this title shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

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14108.4. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this title, the Hertzberg-Polanco Forensic Laboratories Construction Act Finance Committee is hereby created. For purposes of this chapter, the Hertzberg-Polanco Forensic Laboratories Construction Act Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Forensic Laboratories Authority is designated the "board."

14108.5. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this title in order to carry out Section 14108.1 and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

14108.6. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds maturing each year, and it is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

14108.7. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this title, an amount that will equal the total of the following:

- (a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this title, as the principal and interest become due and payable.
- (b) The sum that is necessary to carry out Section 14108.8, appropriated without regard to fiscal years.

14108.8. For purposes of carrying out this title, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized to be sold for the purpose of carrying out this title. Any amount withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund, plus an amount equal to the interest that the money would have earned in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this title.

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14108.9. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for purposes of carrying out this title. The amount of the request shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purpose of carrying out this title. The board shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this title.

14108.10. All money deposited in the fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

14108.11. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this title includes the approval of the issuance of any bonds issued to refund any bonds originally issued under this title or any previously issued refunding bonds.

14108.12. Notwithstanding any provision of this title or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this title that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and the investment earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or to take any other action with respect to the investment and use of bond proceeds required or desirable under federal law so as to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

14108.13. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this title are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

14108.14. The authority is authorized to apply for any funds that may be available from the federal government to further the purposes of this title.

CHAPTER 2. FORENSIC LABORATORIES AUTHORITY

14109. (a) There is hereby created within the Department of Justice the Forensic Laboratories Authority.

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- (b) (1) The authority shall be composed of seven members, including the Attorney General, the State Director of Crime Laboratories, and five members who shall be appointed by the Governor, with the advice and consent of the Senate.
- (2) Of the members that are first appointed, two shall be appointed for a term of two years, two for a term of three years, and one for a term of four years. Their successors shall serve for a term of three years and until appointment and qualification of their successors, each term to commence on the expiration date of the term of the predecessor.
 - (c) The first appointments shall be made by April 1, 2000.
- (d) The first meeting of the authority shall occur by May 15, 2000. The authority shall meet at least twice a year.
- (e) The Governor shall select a chair and vice-chairperson from among its members. Four members of the authority shall constitute a quorum.
- (f) If any appointed member is not in attendance for three consecutive meetings, the authority shall recommend to the Governor that the member be removed and the Governor shall make a new appointment for the remainder of the term.
- (g) The authority shall comply with the state open meetings law pursuant to Article 9 (commencing with Section 11120) of Division 3 of Title 2 of, and Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of, the Government Code.
- 14109.1. Members of the authority shall receive no compensation, but shall be reimbursed for their actual and necessary travel expenses incurred in the performance of their duties. For purposes of compensation, attendance at meetings of the authority shall be deemed performance by a member of the duties of his or her state or local governmental employment.
 - 14109.2. This chapter shall be repealed on January 1, 2010.

CHAPTER 3. FORENSIC LABORATORY CONSTRUCTION AND REMODELING APPLICATIONS

- 14109.5. (a) The authority shall consider applications for funding the construction of new local forensic laboratories and the renovation of existing local forensic laboratories.
- (b) Upon approval of an application, the authority shall have the authority to make grants from the Forensic Laboratories Capital Expenditure Bond Fund to fund the construction and renovation of forensic laboratories.
- (c) The manner and form of the application shall be prescribed by the authority.
- (d) The Legislature may establish additional criteria which the authority shall use for approval of applications for construction and renovation.

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- (e) The authority shall make grants for the construction and renovation of forensic laboratories only if the following requirements are met:
- (1) The applicant provides 10 percent in matching funds. This requirement may be modified or waived by the Legislature where it determines that it is necessary to facilitate the expeditious and equitable construction or remodeling of local forensic laboratory facilities.
- (2) The governing body of the entity, or of each entity, comprising the applicant approves a resolution or resolutions agreeing to pay for the ongoing operating costs of the laboratory.
- (3) The application will not jeopardize the tax-exempt status of the bond issue.
- (4) Construction or renovation project management is vested in a public works, or similar agency with the requisite expertise.
- (5) The construction or renovation project complies with state or local bidding and contract requirements.
- SEC. 2. Section 1 of this act shall take effect upon adoption by the voters at the March 7, 2000, primary election, of the Hertzberg-Polanco Crime Laboratories Construction Bond Act of 1999, as set forth in Section 1 of this act.
- SEC. 3. Section 1 of this act shall be submitted to the voters at the March 7, 2000, primary election, in accordance with provisions of the Elections Code and Government Code governing the submission of statewide measures to the voters.
- SEC. 4. (a) Notwithstanding any other provision of law, all ballots of the election shall have printed thereon and in a square thereof, the words: "The Hertzberg-Polanco Crime Laboratories Construction Bond Act of 1999," and in the same square under those words, the following in 8-point type: "This act provides for a bond issue of two hundred twenty million dollars (\$220,000,000) to provide funds for a program for the construction, renovation, and infrastructure costs associated with the construction of new local forensic laboratories and the remodeling of existing local forensic laboratories." Opposite the square, there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act.
- (b) If the voting in the election is done by means of voting machines used pursuant to law in a manner that carries out the intent of this section, the use of the voting machines and the expression of the voters' choice by means thereof are in compliance with this section
- SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

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The Secretary of State has directed that in order for a bond measure to be placed on the March 7, 2000, ballot, the measure must contain an urgency provision. In order to submit this bond measure to the voters on that ballot and to ensure funding of local forensic laboratories, it is necessary that this act take effect immediately.